GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:354
ANSWERED ON:17.03.2006
OMBUDSMAN IN BANKS
Kaushal Shri Raghuvir Singh;Madhwaraj Smt. Manorama

Will the Minister of FINANCE be pleased to state:

(a) whether the Banking Ombudsman established by the Reserve Bank of India has been successful in resolving the grievances of the consumers;

(b) if so, the details thereof;

(c) whether the Government proposes to expand the scope of jurisdiction of the Banking Ombudsman; and

(d) if so, the details thereof ?

Answer

FINANCE MINISTER (SHRI P. CHIDAMBARAM)

(a) to (d) :- A statement is laid on the Table of the House.

STATEMENT FOR LOK SABHA STARRED QUESTION NO. 354 FOR 17.3.2006 REGARDING OMBUDSMAN IN BANKS, TABLED BY SHRIMATI MANORAMA MADHAVARAJ AND SHRI RAGHUVEER SINGH KOSHAL, M.Ps.

(a) & (b):- Yes, Sir. The Banking Ombudsman had disposed off 9797 and 12476 cases of grievances in the calendar years 2004 and 2005 respectively.

(c) & (d):- In 2002, Reserve Bank of India (RBI) expanded the scope of jurisdiction of the Banking Ombudsman to cover Regional Rural Banks. Again in 2006, RBI has further revised the Banking Ombudsman Scheme to include customer complaints on certain new areas, such as credit card complaints, deficiency in providing the promised service even by banks` sales agents, levying service charges without prior notice to the customer and non-adherence to fair practices code. The new scheme also enables online submission of complaints, and institution of an Appellate Authority for appeal against the Award passed by a Banking Ombudsman.